

AMENDED IN ASSEMBLY MAY 31, 2001

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1723**

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**Introduced by Committee on Utilities and Commerce (Wright (Chair), Pescetti (Vice Chair), John Campbell, Canciamilla, Cardenas, Diaz, Jackson, Maddox, Nation, Papan, Reyes, and Wesson)**

March 15, 2001

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An act to amend Sections 278 and 2881 of the Public Utilities Code, relating to public utilities, *and making an appropriation therefor*.

LEGISLATIVE COUNSEL'S DIGEST

AB 1723, as amended, Committee on Utilities and Commerce. Public utilities: telephonic reading systems.

Existing law requires the Public Utilities Commission to establish a rate recovery mechanism through a surcharge on intrastate telephone service to recover the costs for providing telecommunications devices capable of serving the needs of the deaf, hearing impaired, and disabled. The Public Utilities Act establishes the Deaf and Disabled Telecommunications Program Administrative Committee to advise the commission regarding the development, implementation, and administration of these programs and the Deaf and Disabled Telecommunications Program Administrative Committee Fund as a repository for the funds collected by the surcharge.

The bill would require the commission to also design and implement, on or before July 1, 2002, a program to provide toll-free access throughout California to telephonic reading systems for citizens with print disabilities, at no charge additional to the basic exchange rate. The

bill would authorize any agency, instrumentality, or political subdivision of this state, or any nonprofit organization doing business in this state, to apply to the commission for funding to establish and operate a new telephonic reading system, as defined, and for the reimbursement of certain operational costs. The bill would require the administrative committee to issue recommendations to the commission relating to the establishment of new protocols and guidelines, and would require the commission to establish new protocols and guidelines, for telephonic reading systems. The bill would ~~state the intent of the Legislature that \$185,000 of a sum appropriated in the Budget Act of 2000 to the California State Library for public library projects be used by the library to fund the operations of a telephonic reading center in each of specified cities~~ *provide funding to establish and implement telephonic reading centers in specified cities, until July 1, 2002, through a one-time allocation of \$2 million from the California Teleconnect Fund Administrative Committee Fund to the California State Library, thereby making an appropriation. The bill would require that any funds appropriated to the California State Library under the bill, which are not encumbered on or before July 1, 2002, revert to the fund.*

The bill would make related findings and declarations.

Vote: ~~majority~~ <sup>2/3</sup>. Appropriation: ~~no~~ yes. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. The Legislature finds and declares all of the
- 2 following:
- 3 (a) Thousands of California citizens have disabilities that
- 4 prevent them from directly accessing conventional print material
- 5 due to visual impairments, dyslexia, and orthopedic disabilities,
- 6 which prevent the physical manipulation of print materials.
- 7 (b) For decades there have been governmental and nonprofit
- 8 organizations dedicated to providing access to reading materials
- 9 on a wide variety of subjects by way of Braille, large print, or audio
- 10 tape recordings.
- 11 (c) Access to time-sensitive or local or regional publications,
- 12 or both, is not feasible to produce through these traditional means
- 13 and formats.

1 (d) Lack of direct and prompt access to these materials, such as  
2 newspapers, magazines, newsletters, broadcast media schedules,  
3 and other time-sensitive materials has a detrimental effect on the  
4 educational opportunities, literacy, and opportunity for full  
5 participation in governmental and community forums by people  
6 with print disabilities.

7 (e) The California State Library, through the leadership of  
8 State Librarian Dr. Kevin Starr, has caused to be established in five  
9 locations throughout California high technology systems that  
10 provide access to previously inaccessible material by use of a  
11 standard telephone.

12 (f) These telephonic reading systems are currently  
13 underutilized because they are capable of serving many more  
14 people than can call without incurring long distance telephone  
15 charges.

16 (g) It is not cost-effective to establish the hundreds of locations  
17 necessary to give print disabled Californians local telephone call  
18 access to those locations.

19 (h) Toll-free access to current and future telephonic reading  
20 systems operated by governmental or nonprofit organizations in  
21 California will provide meaningful access to this important print  
22 material for all Californians with print disabilities.

23 SEC. 2. This bill may be known and shall be cited as the Kevin  
24 Starr Access to Information Act of 2001.

25 SEC. 3. Section 278 of the Public Utilities Code is amended  
26 to read:

27 278. (a) (1) There is hereby created the Deaf and Disabled  
28 Telecommunications Program Administrative Committee, which  
29 is an advisory board to advise the commission regarding the  
30 development, implementation, and administration of programs to  
31 provide specified telecommunications services and equipment to  
32 persons in this state who are deaf, disabled, or print disabled, as  
33 provided for in Sections 2881, 2881.1, and 2881.2, and to carry out  
34 the programs pursuant to the commission's direction, control, and  
35 approval.

36 (2) In addition to the membership qualifications established by  
37 the commission pursuant to subdivision (a) of Section 271, the  
38 commission shall establish qualifications for persons to serve as  
39 members of the Deaf and Disabled Telecommunications Program  
40 Administrative Committee to achieve appropriate representation

1 by the consumers of telecommunications services for the deaf and  
2 disabled.

3 (b) All revenues collected by telephone corporations in rates  
4 authorized by the commission to fund the programs specified in  
5 subdivision (a) shall be submitted to the commission pursuant to  
6 a schedule established by the commission. The commission shall  
7 transfer the moneys received to the Controller for deposit in the  
8 Deaf and Disabled Telecommunications Program Administrative  
9 Committee Fund. All interest earned by moneys in the fund shall  
10 be deposited in the fund. Any unexpended revenues collected prior  
11 to the operative date of this section shall be submitted to the  
12 commission, and the commission shall transfer those moneys to  
13 the Controller for deposit in the Deaf and Disabled  
14 Telecommunications Program Administrative Committee Fund.  
15 In addition, those revenues that are collected pursuant to  
16 subdivision (d) of Section 2881 shall be accounted for separately,  
17 as required by subdivision (b) of Section 2881.2, and deposited in  
18 the fund created by the commission pursuant to subdivision (b) of  
19 Section 2881.2.

20 (c) Moneys appropriated from the Deaf and Disabled  
21 Telecommunications Program Administrative Committee Fund to  
22 the commission shall be utilized exclusively by the commission  
23 for the program specified in subdivision (a), including all costs of  
24 the board and the commission associated with the administration  
25 and oversight of the program and the fund.

26 SEC. 4. Section 2881 of the Public Utilities Code is amended  
27 to read:

28 2881. (a) The commission shall design and implement a  
29 program to provide a telecommunications device capable of  
30 serving the needs of individuals who are deaf or hearing impaired,  
31 together with a single party line, at no charge additional to the basic  
32 exchange rate, to any subscriber who is certified as an individual  
33 who is deaf or hearing impaired by a licensed physician and  
34 surgeon, audiologist, or a qualified state or federal agency, as  
35 determined by the commission, and to any subscriber that is an  
36 organization representing individuals who are deaf or hearing  
37 impaired, as determined and specified by the commission pursuant  
38 to subdivision (e). A licensed hearing aid dispenser may certify the  
39 need of an individual to participate in the program if that  
40 individual has been previously fitted with an amplified device by



1 the dispenser and the dispenser has the individual's hearing  
2 records on file prior to certification.

3 (b) The commission shall also design and implement a program  
4 to provide a dual-party relay system, using third-party intervention  
5 to connect individuals who are deaf or hearing impaired and  
6 offices of organizations representing individuals who are deaf or  
7 hearing impaired, as determined and specified by the commission  
8 pursuant to subdivision (e), with persons of normal hearing by way  
9 of intercommunications devices for individuals who are deaf or  
10 hearing impaired and the telephone system, making available  
11 reasonable access of all phases of public telephone service to  
12 telephone subscribers who are deaf or hearing impaired. In order  
13 to make a dual-party relay system that will meet the requirements  
14 of individuals who are deaf or hearing impaired available at a  
15 reasonable cost, the commission shall initiate an investigation,  
16 conduct public hearings to determine the most cost-effective  
17 method of providing dual-party relay service to the deaf or hearing  
18 impaired when using a telecommunications device, and solicit the  
19 advice, counsel, and physical assistance of statewide nonprofit  
20 consumer organizations of the deaf, during the development and  
21 implementation of the system. The commission shall phase in this  
22 program, on a geographical basis, over a three-year period ending  
23 on January 1, 1987. The commission shall apply for certification  
24 of this program under rules adopted by the Federal  
25 Communications Commission pursuant to Section 401 of the  
26 Americans with Disabilities Act of 1990 (Public Law 101-336).

27 (c) The commission shall also design and implement a program  
28 whereby specialized or supplemental telephone communications  
29 equipment may be provided to subscribers who are certified to be  
30 disabled at no charge additional to the basic exchange rate. The  
31 certification, including a statement of medical need for specialized  
32 telecommunications equipment, shall be provided by a licensed  
33 physician and surgeon acting within the scope of practice of his or  
34 her license, or by a qualified state or federal agency as determined  
35 by the commission. The commission shall, in this connection,  
36 study the feasibility of, and implement, if determined to be  
37 feasible, personal income criteria, in addition to the certification  
38 of disability, for determining a subscriber's eligibility under this  
39 subdivision.

1 (d) The commission shall establish a rate recovery mechanism  
2 through a surcharge not to exceed one-half of 1 percent uniformly  
3 applied to a subscriber's intrastate telephone service, other than  
4 one-way radio paging service and universal telephone service,  
5 both within a service area and between service areas, to allow  
6 providers of the equipment and service specified in subdivisions  
7 (a), (b), and (c), to recover costs as they are incurred under this  
8 section. The surcharge shall be in effect until January 1, 2001. The  
9 commission shall require that the programs implemented under  
10 this section be identified on subscribers' bills, and shall establish  
11 a fund and require separate accounting for each of the programs  
12 implemented under this section.

13 (e) The commission shall determine and specify those  
14 statewide organizations representing the deaf or hearing impaired  
15 which shall receive a telecommunications device pursuant to  
16 subdivision (a) or a dual-party relay system pursuant to  
17 subdivision (b), or both, and in which offices the equipment shall  
18 be installed in the case of an organization having more than one  
19 office.

20 (f) The commission may direct any telephone corporation  
21 subject to its jurisdiction to comply with its determinations and  
22 specifications pursuant to this section.

23 (g) The commission shall annually review the surcharge level  
24 and the balances in the funds established pursuant to subdivision  
25 (d). Until January 1, 2001, the commission shall be authorized to  
26 make, within the limits set by subdivision (d), any necessary  
27 adjustments to the surcharge to ensure that the programs supported  
28 thereby are adequately funded and that the fund balances are not  
29 excessive. A fund balance which is projected to exceed six  
30 months' worth of projected expenses at the end of the fiscal year  
31 is excessive.

32 (h) The commission shall prepare and submit to the  
33 Legislature, on or before December 31, 1988, and annually  
34 thereafter, a report on the fiscal status of the programs established  
35 and funded pursuant to this section and Sections 2881.1 and  
36 2881.2. The report shall include a statement of the surcharge level  
37 established pursuant to subdivision (d) and revenues produced by  
38 the surcharge, an accounting of program expenses, and an  
39 evaluation of options for controlling those expenses and

1 increasing program efficiency, including, but not limited to, all of  
2 the following proposals:

3 (1) The establishment of a means test for persons to qualify for  
4 program equipment or free or reduced charges for the use of  
5 telecommunication services.

6 (2) If, and to the extent not prohibited under Section 401 of the  
7 Americans with Disabilities Act of 1990 (Public Law 101-336),  
8 the imposition of limits or other restrictions on maximum usage  
9 levels for the relay service, which shall include the development  
10 of a program to provide basic communications requirements to all  
11 relay users at discounted rates, including discounted toll call rates,  
12 and, for usage in excess of those basic requirements, at rates which  
13 recover the full costs of service.

14 (3) More efficient means for obtaining and distributing  
15 equipment to qualified subscribers.

16 (4) The establishment of quality standards for increasing the  
17 efficiency of the relay system.

18 (i) In order to continue to meet the access needs of individuals  
19 with functional limitations of hearing, vision, movement,  
20 manipulation, speech and interpretation of information, the  
21 commission shall perform ongoing assessment of, and if  
22 appropriate, expand the scope of the program to allow for  
23 additional access capability consistent with evolving  
24 telecommunications technology.

25 (j) (1) The commission shall also design and implement, on or  
26 before July 1, 2002, a program to provide toll-free access  
27 throughout California to telephonic reading systems for citizens  
28 with print disabilities, at no charge additional to the basic exchange  
29 rate. The commission shall establish a system whereby a single  
30 toll-free telephone number is used to access all telephonic reading  
31 systems, with the caller selecting the desired system by choosing  
32 among menu items provided at the beginning of each call. Each  
33 telephonic reading system shall provide access with the use of  
34 individual passwords issued only to persons who are eligible under  
35 the criteria established by the National Library Service for the  
36 Blind and Physically Handicapped, Library of Congress, as  
37 authorized by Section 135a of Title 2 of the United States Code,  
38 and as described in Section 701.10 of Title 36 of the Code of  
39 Federal Regulations. The operator of each telephonic reading

1 system shall provide for the issuance of passwords to those  
2 individuals who meet the criteria described in this paragraph.

3 (2) For purposes of this subdivision “telephonic reading  
4 system” means a system operated by, or under the control or  
5 sponsorship of any agency, instrumentality, or political  
6 subdivision of the State of California, or by any nonprofit  
7 organization doing business in this state, whereby the caller can  
8 hear the reading of material such as newspapers, magazines,  
9 newsletters, broadcast media schedules, transit route and schedule  
10 information, and other reference or time sensitive materials as  
11 determined by the operator of the system.

12 (3) Any agency, instrumentality, or political subdivision of this  
13 state, or any nonprofit organization doing business in this state,  
14 may apply to the commission for funding to establish a new  
15 telephonic reading system, and for the operation of such a system.  
16 Any agency, instrumentality, or political subdivision of this state  
17 may apply to the commission for the reimbursement of operational  
18 costs incurred or expended between October 1, 2001, and July 1,  
19 2002, for the operation of a telephonic reading system. The  
20 commission may not authorize reimbursement for operational  
21 costs that the telephonic reading system paid or could have paid  
22 from grants or donations that the telephonic reading system  
23 received, and which grants or donations the grantor specified  
24 exclusively to fund the expenses for the telephonic reading system.

25 (4) Nothing in this subdivision is intended to limit the  
26 establishment by the commission of other programs or services  
27 under subdivision (i).

28 (5) The Deaf and Disabled Telecommunications Program  
29 Administrative Committee shall review the guidelines and  
30 administration of existing telephonic reading systems in this state  
31 and issue recommendations to the commission relating to the  
32 establishment of new protocols and guidelines.

33 (6) The commission shall establish new protocols and  
34 guidelines for telephonic reading systems. The protocols should  
35 consider the cost-effectiveness of supporting a particular  
36 telephonic reading center and the value of its services to  
37 Californians. The protocols should also consider whether the  
38 publications the centers make available meet local, regional, and  
39 foreign language needs of Californians.



(7) For purposes of this section, any agency, instrumentality, or political subdivision of this state, or any nonprofit organization doing business in this state, that operates a telephonic reading center shall provide the commission with access to their books, records, documents, and reports pursuant to Sections 312 to 314, inclusive, and Sections 581 to 587, inclusive. Any agency, instrumentality, or political subdivision of this state, or nonprofit organization doing business in this state, that operates a telephonic reading center shall also be subject to the commission's authority pursuant to subdivisions (a) and (b) of Section 311.

(8) The commission may enforce Chapter 11 (commencing with Section 2101) of Part 1 regarding violations against any agency, instrumentality, or political subdivision of this state, or any nonprofit organization doing business in this state that operates a telephonic reading center as if that entity were a public utility. Notwithstanding the above, nothing in this section shall be construed to grant the commission jurisdiction to regulate any agency, instrumentality, or political subdivision of this state, or any nonprofit organization doing business in this state, that operates a telephonic reading system other than as specifically set forth in this part.

(9) The commission shall incur no liability for the content of information provided by a telephonic reading system participating in the provision of information pursuant to this section.

(10) The commission shall have full control over the level of funding of the telephonic reading system, and may utilize such measures as it determines to be appropriate to control costs, such as varying the number of available toll-free access lines in order to keep call volume within predetermined fiscal targets.

~~SEC. 5. It is the intent of the Legislature that one hundred eighty-five thousand dollars (\$185,000) of the amount appropriated in Item 6120-140-0001 of Section 2.00 of the Budget Act of 2000, for local assistance, California State Library, Public Library Projects, be used by the library to fund the operations of a telephonic reading center in Los Angeles, San Diego, Fresno, and San Francisco, and two in Sacramento, from October 1, 2000 until September 30, 2001, in implementation of the Kevin Starr Access to Information Act of 2001, set forth in Sections 278 and 2881 of the Public Utilities Code.~~

1     *SEC. 5. The sum of two million dollars (\$2,000,000) is hereby*  
2     *appropriated from the California Teleconnect Fund*  
3     *Administrative Committee Fund to the California State Library to*  
4     *establish and implement telephonic reading centers in Los*  
5     *Angeles, San Diego, Fresno, San Francisco, and Sacramento, and*  
6     *to provide for the reimbursement specified in paragraph (3) of*  
7     *subdivision (j) of Section 2881 of the Public Utilities Code, until*  
8     *July 1, 2002. Any funds appropriated to the California State*  
9     *Library pursuant to this section, which are not encumbered on or*  
10    *before July 1, 2002, shall revert to the California Teleconnect Fund*  
11    *Administrative Committee Fund.*

